

25.1001 Waiver of right to examination of records.

(a) *Policy.* The clause at [52.215-2](#), Audit and Records-Negotiation, prescribed at [15.209\(b\)](#), and paragraph (d) of the clause at [52.212-5](#), Contract Terms and Conditions Required to Implement Statutes or Executive Orders-Commercial Items, prescribed at [12.301\(b\)\(4\)](#), implement [10 U.S.C. 2313](#) and [41 U.S.C. 4706](#). The basic clauses authorize examination of records by the Comptroller General.

(1) Insert the appropriate basic clause, whenever possible, in negotiated contracts with foreign contractors.

(2) The contracting officer may use [52.215-2](#) with its Alternate III or [52.212-5](#) with its Alternate I after-

(i) Exhausting all reasonable efforts to include the basic clause;

(ii) Considering factors such as alternate sources of supply, additional cost, and time of delivery; and

(iii) The head of the agency has executed a determination and findings in accordance with paragraph (b) of this section, with the concurrence of the Comptroller General. However, concurrence of the Comptroller General is not required if the contractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its records available for examination.

(b) *Determination and findings.* The determination and findings must-

(1) Identify the contract and its purpose, and identify if the contract is with a foreign contractor or with a foreign government or an agency of a foreign government;

(2) Describe the efforts to include the basic clause;

(3) State the reasons for the contractor's refusal to include the basic clause;

(4) Describe the price and availability of the supplies or services from the United States and other sources; and

(5) Determine that it will best serve the interest of the United States to use the appropriate alternate clause in paragraph (a)(2) of this section.

Parent topic: [Subpart 25.10 - Additional Foreign Acquisition Regulations](#)